

## **"The Marshall Plan: A Legacy of Hope"**

Produced and written by the United States Department of State, Bureau of European and Eurasian Affairs, Office of Press and Public Diplomacy, in partnership with EFC Productions.

### **Introduction:**

**Voice Over: May 8, 1945: V-E Day**

A weary Europe celebrates the end of the Second World War. But now that the war was finally over, what did the future hold?

So much of Europe had been destroyed. Thousands of homes, offices, bridges and churches, and perhaps, more importantly, civic institutions and civil society itself. Everywhere there was a quiet chaos. There were shortages of food and shelter, unemployment, a public health crisis, and confusion about which way to turn.

At this pivotal moment in history, the vital partnership that ended the war entered a new era, building peace and development. That partnership, between Europe and America, has endured and sustained global development ever since.

This partnership was developed by diplomats, soldiers and statesmen, and supported by people from all walks of life. It was the Marshall Plan.

This year we celebrate the 60<sup>th</sup> anniversary of the Marshall Plan, a historic project that helped Europeans rise from the ashes of six years of war. But what was the Marshall Plan?

The European Recovery Program, the Marshall Plan's official name, was a scheme to provide economic and political aid to 16 European nations, an unprecedented project.

The plan was the result of the vision of George C. Marshall. An Army general, Marshall was a highly decorated military officer and strategic planner who had served in both World War I and II. Along with President Truman, Marshall quickly assessed the existential threat Soviet communism posed to free societies, and realized that America could not turn its back on Europe.

Working with a diplomatic team that included the legendary statesman George Kennan, Marshall championed a plan unique in history. Never before had any nation organized an economic rescue effort of this magnitude— one that even promised to rebuild former enemies.

With American support, Europeans pulled themselves out of the ruins and reconstructed their lives.

Part One:

VO: Why was there a need for a Marshall Plan?

Europe lay in rubble after the bloodiest war in history.

Fighting in Europe had begun in 1939, when German tanks rolled over the border and invaded Poland. Fighting extended to the USSR in 1941 when Hitler scrapped a pact with Stalin and crossed into the Soviet Union. It included the United States after Japan's vicious attack on Pearl Harbor.

They emerged victorious, but at a terrible cost. By the end, over 60 million people lay dead. In Europe, ancient and culturally rich centers of civilizations lay in ruins, as the war took a heavy toll on some of the world's most magnificent cities.

Stalin's refusal to allow free elections in Eastern Europe separated Europe into two camps, one free, one communist. The rift cut across Germany, which was divided. West Berlin became an island of democracy, surrounded by communist East Germany. These were the challenges that confronted Europe as it emerged from an exhausting six years of total war.

## Part Two:

America quickly responded, with a series of important initiatives. The first step was a detailed diplomatic cable, written by a young Deputy Chief of Mission at the American Embassy in Moscow, George Kennan.

In it, Kennan strongly argued that the nature of the Soviet regime was to be expansionist. The Soviet Union, Kennan argued, would develop surrogates in the West who would be manipulated to achieve Soviet strategic goals. America needed to keep the Soviets in check, concluded Kennan. The policy of containment was born.

Then came the Truman Doctrine, which announced to the world that America was committed to the defense of democracies. Congress then swung into action. The Senate and the House passed, with overwhelming majorities, bills supporting European integration.

## PART THREE

VO: Looking back in history, it may seem that the Marshall Plan was inevitable. In fact, there were many other plans on the table.

Senator Robert Taft: "The point I desire to make here today is that we cannot afford to condone the mistakes of Mr. Truman and Mr. Acheson and General Marshall."

It soon became apparent, however, that these plans would create more problems than they would solve. A punitive peace had already been tried with Germany after World War I. That was the Treaty of Versailles.

The Treaty's harsh conditions worsened the economic burdens of war on the German people and led some to blame the Allies for their humiliation and suffering. Hitler rose on his promise to restore German dignity, honor and power. So the Truman Administration needed to come up with a comprehensive approach.

Secretary Marshall himself unveiled his idea at a landmark speech to the Harvard University graduating class of 1947.

*"It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace. Our policy is directed not against any country or doctrine but against hunger, poverty, desperation and chaos. Its purpose should be the revival of a working economy in the world so as to permit the emergence of political and social conditions in which free institutions can exist."*

*"It would be neither fitting nor efficacious for this Government to undertake to draw up unilaterally a program designed to place Europe on its feet economically. This is the business of the Europeans."*

Western Europe responded with enthusiasm. Nations which had warred for centuries put aside ancient rivalries. Their first step was to create the Committee on European

Economic Cooperation. The Soviet Union prevented Eastern Europe from participating. But the rest of the Continent joined in.

To sell the plan, the United States government launched a highly coordinated campaign to convince the citizens of Europe and America of the wisdom of the plan. It included films in many languages, conventions and even puppet shows. George Marshall set out on a promotional tour of America, speaking to crowds from coast to coast.

It helped that at the same time, the repressive nature of Soviet communism was being revealed, when freedom was completely extinguished from Eastern Europe.

When President Truman signed the Marshall Plan into law in 1948, he created the Economic Cooperation Administration or ECA, which was led by the charismatic Paul Hoffman. The Europeans put together an umbrella agency to administer the grants: the Organization for European Economic Cooperation. President Truman picked the talented Averill Harriman to represent the US to the OEEC.

In the end, the Marshall Plan was adopted. The Plan required that West European governments work together, which created habits of cooperation, where none had ever existed.

One of its key mandates was to put in place a system that called for regular consultations on economic matters. Eventually it became the Organization for Economic Cooperation and Development, the OECD, today a vital part of the transatlantic community.

The ECA's mission was to help Europe rebuild and work toward economic recovery. Only rapid economic growth could pull Europeans from the ruins. The OEEC became the testing ground for cooperation, the place where diverse Europeans learned to work together.

The European nations formed the European Coal and Steel Community in 1951, the last year of the Marshall Plan. The ECSC, created by the vision of French statesmen Jean Monet and Robert Schumann was the predecessor of what we know today as the European Union.

#### PART FOUR: Conclusion

NATO, the North Atlantic Treaty Organization, created in 1949, also owes its birth to the spirit of cooperation that came into being as a result of the Marshall Plan. NATO remains today the primary institution bringing together nations that form a single community of freedom, democracy and market economics.

As we mark the 60<sup>th</sup> Anniversary of the Marshall Plan, Europe and the United States remain vital partners. Today, standing together we are combating terrorism and defending against weapons of mass destruction, and developing common strategies to fight global warming, AIDS and other pandemics. Tomorrow, continuing to work in cooperation and with mutual respect, we face our common future with hope and determination.

This is the lasting legacy of the Marshall Plan.